



Memorandum

**TO: HONORABLE MAYOR AND
CITY COUNCIL**

FROM: Scott P. Johnson

**SUBJECT: UPDATE ON ADDITIONAL
REFERENCE CHECKS FOR
BEARINGPOINT/PEOPLESOFT**

DATE: June 28, 2004

Approved

Date

Council District: Citywide
SNI: N/A

SUPPLEMENTAL

REASON FOR SUPPLEMENTAL MEMO

To provide additional information on reference checks conducted for BearingPoint/PeopleSoft.

BACKGROUND

The Office of the City Auditor issued a report, "A Review of the CUSP Request for Proposal Process" on June 25 2004. Recommendation 14 of this report states that:

"The City Council not give the City Manager the authority to enter into exclusive negotiations with BearingPoint/PeopleSoft until City staff adequately checks BearingPoint references".

Two reference checks had been done during the CUSP evaluation process. Three additional reference checks were conducted, based on the Internal Auditor's request. The conclusions of these reference checks are summarized below. All additional reference checks indicated that the BearingPoint/PeopleSoft customers had a positive implementation experience with BearingPoint/PeopleSoft. Therefore, staff recommends the City Council give the authority to the City Manager to enter into negotiations with BearingPoint/PeopleSoft.

ANALYSIS

The CUSP Project Team conducted reference checks on the CUSP proposers. A questionnaire of 62 pre-defined questions was used to uncover any potential major flaws or lack of functionality, massive customization needs, and support from the software vendor. The

questionnaire addresses the customer background, project information, vendor information, product information, and technical information. Staff inquired of reference organizations considering the type of system implemented, the size to the organization's customer base and the number of users having access to the system. For comparison purposes, the City currently has approximately 220,000 accounts for Recycle Plus, 205,000 accounts for sanitary and storm sewer, and approximately 25,000 accounts for municipal water. Staff estimates that the initial number of users (City staff and hauler partners) that will need access to the City's CUSP system is 68 with additional users as the functionality expands and additional phases are added to the project over time.

On June 25, 2004 staff completed additional reference checks with the following BearingPoint/PeopleSoft customers.

- Hydro Ottawa
 - 270,000 accounts, 300 users
 - Good vendor responsiveness, documentation and training
 - Initial contract cost and timeline was maintained
- City of West Palm Beach
 - 32,000 accounts, 20 users
 - Good vendor responsiveness, documentation and training
 - Initial contract cost and timeline was maintained for the initial scope. West Palm Beach added scope later through change control for additional features.
- Miami Dade Florida
 - Initially started implementing a different software and stopped the project and started over with PeopleSoft and BearingPoint.
 - 420,000 accounts, 400 users
 - Good vendor responsiveness, documentation and training
 - Initial contract cost and timeline was maintained

As summarized above, the results of all the additional reference checks conducted indicated positive results for each of the BearingPoint/PeopleSoft customers. Therefore, staff recommends that the City Council authorize the City Manager to move forward with negotiations with BearingPoint/PeopleSoft for the CUSP solution.

PUBLIC OUTREACH

N/A

Honorable Mayor and City Council

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COORDINATION

This memorandum was coordinated with the offices of the City Manager, Internal Auditor and City Attorney, and the departments of Finance, General Services (Purchasing Division), Environmental Services and Information Technology.

CEQA

Not a project

SCOTT P. JOHNSON

Director, Finance Department